

103<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 2368

To implement the intellectual property right provisions of the Uruguay Round of the General Agreement on Tariffs and Trade, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

AUGUST 5, 1994

Mr. DECONCINI introduced the following bill; which was read twice and referred to the Committee on the Judiciary

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## A BILL

To implement the intellectual property right provisions of the Uruguay Round of the General Agreement on Tariffs and Trade, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Trade-Related Aspects  
5 of Intellectual Property Rights Implementation Act of  
6 1994”.

7       **SEC. 2. RENTAL RIGHTS IN COMPUTER PROGRAMS.**

8       Section 804(c) of the Computer Software Rental  
9 Amendments Act of 1990 (Public Law 101–650; 104 Stat.  
10 5089, 5136) is amended by striking out the first sentence.

1 **SEC. 3. CREATION AND TRAFFICKING IN BOOTLEG SOUND**  
2 **RECORDINGS PROHIBITED.**

3 (a) IN GENERAL.—Chapter 113 of title 18, United  
4 States Code, is amended by inserting after section 2319  
5 the following new section:

6 **“§ 2319a. Creation of and traffic in bootleg sound re-**  
7 **cordings prohibited**

8 “(a) Whoever, willfully and for purposes of commer-  
9 cial advantage or private financial gain, without the con-  
10 sent of a performer or a performer’s agent—

11 “(1) fixes or causes to be fixed in a sound re-  
12 cording;

13 “(2) broadcasts, transmits, or otherwise com-  
14 municates to the public or causes to be so broadcast,  
15 transmitted, or otherwise communicated, the sounds  
16 of a live performance; or

17 “(3) reproduces, distributes, sells, rents, offers  
18 for sale or rent, transports, broadcasts, transmits, or  
19 otherwise communicates to the public or possesses,  
20 for the purpose of—

21 “(A) creating any article in violation of  
22 paragraph (1); or

23 “(B) fixing the sounds therein,  
24 shall, upon judgment of conviction, be fined not more than  
25 \$250,000 or imprisoned for not more than 5 years, or  
26 both.

1 “(b) When any person is convicted of any violation  
 2 of subsection (a), the court in its judgment of conviction  
 3 shall, in addition to the penalty therein prescribed, order  
 4 the forfeiture, destruction, or other disposition of the ap-  
 5 plicable articles, implements, devices, and equipment as  
 6 required under section 4 (b) and (d) of the Intellectual  
 7 Property Rights General Agreement on Tariffs and Trade  
 8 Implementation Act of 1994.

9 “(c) The provisions of this section do not preempt  
 10 any State statute or civil or criminal cause of action aris-  
 11 ing under a State’s common law.”.

12 (b) TECHNICAL AND CONFORMING AMENDMENT.—  
 13 The table of sections for chapter 113 of title 18, United  
 14 States Code, is amended by inserting after the item relat-  
 15 ing to section 2319 the following:

“2319a. Creation of and traffic in bootleg sound recordings prohibited.”.

16 (c) EFFECTIVE DATE.—This section shall take effect  
 17 1 year after the date of entry into force of the World  
 18 Trade Organization Agreement as referred to under the  
 19 Uruguay Round Implementation Act and shall apply to—

20 (1) all performances fixed on and after that  
 21 date; and

22 (2)(A) all traffic in articles containing sounds  
 23 fixed without their performer’s authorization; and

24 (B) all broadcasts, transmissions or other dis-  
 25 seminations of sounds fixed without their perform-

1 er's authorization on and after that date without re-  
2 gard to the date upon which the article containing  
3 such sounds was fixed.

4 **SEC. 4. PROHIBITION OF CREATION AND TRAFFICKING IN**  
5 **BOOTLEG SOUND RECORDINGS.**

6 (a) IN GENERAL.—Whoever, without the consent of  
7 a performer or a performer's agent—

8 (1) fixes or causes to be fixed in a sound re-  
9 cording;

10 (2) broadcasts, transmits, or otherwise commu-  
11 nicates to the public or causes to be so broadcast,  
12 transmitted, or otherwise communicated the sounds  
13 of a live performance; or

14 (3) reproduces, distributes, sells, rents, offers  
15 for sale or rent, transports, broadcasts, transmits, or  
16 otherwise communicates to the public or possesses,  
17 for the purpose of—

18 (A) creating any article in violation of  
19 paragraph (1); or

20 (B) fixing the sounds therein,

21 shall, upon judgment of liability in a civil proceeding, be  
22 subject to the sanctions under sections 502 through 505  
23 of title 17, United States Code, as if he were an infringer  
24 of copyright under section 501 of such title.

1 (b) DISPOSITION OF ARTICLES CONTAINING UNAU-  
2 THORIZED FIXATIONS.—When any person is held liable  
3 for a violation of subsection (a), the court in its judgment  
4 shall, in addition to the other relief therein granted, order  
5 the forfeiture and destruction or other disposition of all  
6 articles created in violation thereof and all implements, de-  
7 vices, or equipment used in the manufacture of such arti-  
8 cles.

9 (c) NO PREEMPTION.—The provisions of this section  
10 do not preempt any State statute or civil or criminal cause  
11 of action arising under a State's common law.

12 (d) FOREIGN-MANUFACTURED ARTICLES.—(1) In a  
13 case where the fixing of sounds in articles outside the  
14 United States would have been a violation of subsection  
15 (a) if said fixation had taken place within the United  
16 States, the importation, sale, rental, or other distribution  
17 of such articles is prohibited. Persons committing these  
18 acts shall be subject to the sanctions set out in subsection  
19 (a) to the same extent as if that subsection had been vio-  
20 lated.

21 (2)(A) The Secretary of the Treasury and the United  
22 States Postal Service shall separately or jointly prescribe  
23 regulations for the enforcement of the provisions of this  
24 section prohibiting importation.

1 (B) The Secretary of the Treasury shall prescribe,  
2 by regulation, a procedure under which any performer or  
3 representative thereof may, upon payment of a specified  
4 fee, be entitled to notification by the United States Cus-  
5 toms Service of the importation of articles that appear to  
6 consist of fixations of a particular performance.

7 (C) Articles imported in violation of the importation  
8 prohibitions of this section are subject to seizure and for-  
9 feiture in the same manner as property imported in viola-  
10 tion of the customs revenue laws. Forfeited articles shall  
11 be destroyed as directed by the Secretary of the Treasury  
12 or the court, as the case may be, except that the articles  
13 may be returned to the country of export whenever it is  
14 shown to the satisfaction of the Secretary of the Treasury  
15 that the importer had no reasonable grounds for believing  
16 that his or her acts constituted a violation of law.

17 (e) EFFECTIVE DATE.—This section shall take effect  
18 1 year after the date of entry into force of the World  
19 Trade Organization Agreement as referred to under the  
20 Uruguay Round Implementation Act and shall apply to—

21 (1) all performances fixed on and after that  
22 date; and

23 (2)(A) all traffic in articles containing sounds  
24 fixed without their performer's authorization; and

1 (B) all broadcasts, transmissions or other dis-  
 2 seminations of sounds fixed without their perform-  
 3 er's authorization on and after that date without re-  
 4 gard to the date upon which the article containing  
 5 such sounds was fixed.

6 **SEC. 5. RESTORATION OF COPYRIGHT.**

7 (a) IN GENERAL.—Section 104A of title 17, United  
 8 States Code, is amended to read as follows:

9 **“§ 104A. Copyright in certain works**

10 “(a) RESTORATION OF COPYRIGHT; TERM OF RE-  
 11 STORED COPYRIGHT.—(1) Copyright in a restorable work  
 12 shall vest automatically on the date of restoration.

13 “(2) Subject to the provisions of subsections (b)  
 14 through (j), any restorable work shall have copyright pro-  
 15 tection under this title for the remainder of the term of  
 16 copyright protection that it would have otherwise enjoyed  
 17 in the United States.

18 “(3) Copyrights in certain motion pictures and works  
 19 included therein as to which restoration was properly  
 20 sought under section 104A of this title as it was in force  
 21 on the day prior to the effective date of this section shall  
 22 be deemed to have been restored thereunder, but shall oth-  
 23 erwise be subject to all of the provisions of this section.

24 “(b) OWNERSHIP OF RESTORED COPYRIGHT.—A re-  
 25 stored copyright shall vest initially in the author of a

1 restorable work as determined under the law of its source  
2 country.

3 “(c) ELIGIBILITY TO FILE NOTICE OF INTENT TO  
4 ENFORCE A RESTORED COPYRIGHT AGAINST RELIANCE  
5 PARTIES.—(1) Any person who owns a restored copyright,  
6 or any exclusive right therein, may file or serve a notice  
7 of intent to enforce that copyright against reliance parties  
8 under the provisions of subsections (d) and (e) of this sec-  
9 tion.

10 “(2) The filing or service of such a notice shall create  
11 no presumption as to the truth of any statement set out  
12 in such notice.

13 “(d) REMEDIES AND LIMITATIONS THEREON.—(1)  
14 Subject to paragraphs (2) through (4) of this subsection,  
15 the remedies set out in chapter 5 of this title shall be avail-  
16 able, in respect of a restored copyright, immediately upon  
17 restoration, with respect to any act committed on or after  
18 the date of restoration.

19 “(2) The remedies for infringement set out in chapter  
20 5 of this title shall be available against reliance parties  
21 only upon satisfaction of at least one of the following con-  
22 ditions:

23 “(A) The owner of the restored copyright files,  
24 between the date of restoration and 24 months  
25 thereafter, a notice of intent to enforce a restored



1 copyright that complies with regulations of the  
2 Copyright Office that shall be published in the Fed-  
3 eral Register no later than 60 days prior to the  
4 TRIPs effective date.

5 “(B) As against a particular reliance party, the  
6 owner serves upon that reliance party a proper no-  
7 tice of intent to enforce a restored copyright.

8 “(3) Notwithstanding the provisions of paragraph  
9 (2), no reliance party shall be subject to liability under  
10 this title, for any act other than reproduction of the work  
11 in which a restored copyright subsists, if such act is per-  
12 formed prior to the completion of 12 months after the ear-  
13 lier of publication of the title of the restored work in the  
14 Federal Register or receipt of notice in compliance with  
15 paragraph (2)(B).

16 “(4) Notwithstanding any other provision of law, a  
17 reliance party shall be subject to statutory damages or at-  
18 torney’s fees only with respect to any act of infringement  
19 committed after both—

20 “(A) January 1, 2000; and

21 “(B) receipt of notice that complies with sub-  
22 section (e) (1), (2), and (4).

23 “(e) NOTICES OF INTENT TO ENFORCE A RESTORED  
24 COPYRIGHT.—(1) Any notice of intent shall clearly iden-  
25 tify—

1           “(A) the person who owns the restored copy-  
2 right; and

3           “(B) the title of the restorable work, includ-  
4 ing—

5                 “(i) an English translation of a foreign  
6 language title; and

7                 “(ii) alternative titles by which the work,  
8 or a derivative work based thereon, may reason-  
9 ably be expected to have been known in the  
10 United States, and any other information speci-  
11 fied by regulation.

12         “(2) If a work has no formal title, it shall be de-  
13 scribed in sufficient detail so as to maximize the prob-  
14 ability of its identification. Such notice shall be signed by  
15 the owner of the restored copyright or his agent. If such  
16 notice is signed by an agent, the agency shall have been  
17 constituted in a writing signed by the owner prior to exe-  
18 cution of notice by the agent.

19         “(3) For a notice filed with the Copyright Office—

20                 “(A) a reasonable fee may be imposed to cover  
21 its receipt, processing, recordation, or publication of  
22 the information set out in such notice of intent; and

23                 “(B) minor errors and omissions may be cor-  
24 rected after the period established in subsection

1 (d)(2)(A), and such corrections shall be published in  
2 the Federal Register.

3 “(4) For a notice served upon a reliance party, the  
4 notice shall identify with substantial precision the use to  
5 which the owner of the restored copyright objects.

6 “(5) Any material false statement or claim knowingly  
7 made in any notice of intent shall make void all claims  
8 and assertions set out therein, with respect to all titles  
9 set out therein.

10 “(6) The Copyright Office shall publish in the Fed-  
11 eral Register, on a quarterly basis, beginning no later than  
12 4 months after the TRIPs effective date, a list containing  
13 at least the information required under paragraph (1) with  
14 respect to restored copyrights as to which a notice of in-  
15 tent has been filed. With respect to works whose copy-  
16 rights are restored after the TRIPs effective date, the  
17 Copyright Office shall publish a list containing at least  
18 the information required under paragraph (1) with respect  
19 to restored copyrights as to which a notice of intent has  
20 been filed, on a quarterly basis as established by regula-  
21 tion.

22 “(7) Such lists shall be cumulative on an annual  
23 basis. In order to facilitate the public identification of re-  
24 stored copyrights as to which enforcement is intended, at

1 least one complete list shall be maintained in one or more  
2 files distinct from other Copyright Office records.

3 “(f) EFFECT OF RESTORATION OF COPYRIGHT IN  
4 DERIVATIVE WORKS, COLLECTIVE WORKS, AND COM-  
5 PILATIONS.—A copyright restored under this section shall  
6 protect only the copyrightable authorship contributed to  
7 the work whose title is set out in the notice of intent. Nei-  
8 ther a restored copyright in a work upon which a deriva-  
9 tive work is based nor a restored copyright in a separately  
10 copyrightable work contained in a collective work or com-  
11 pilation shall be enforceable against a reliance party unless  
12 a notice of intent has been filed in the Copyright Office  
13 or served on the reliance party.

14 “(g) IMMUNITY FROM WARRANTY AND RELATED LI-  
15 ABILITY.—(1) No person who warranted, promised or oth-  
16 erwise undertook to guarantee that a work created by such  
17 person infringes no rights of another, and which warranty,  
18 promise, or guarantee is breached by virtue of the restora-  
19 tion of copyright under this section, shall be liable to any  
20 claimant seeking legal, equitable, arbitral, or administra-  
21 tive relief of any type whatsoever therefore.

22 “(2) No person shall be compelled to perform, or held  
23 liable for failure to perform, any act the performance of  
24 which is made infringing under the provisions of this sec-  
25 tion.

1       “(h) NO ESTOPPEL.—The act of filing any notice de-  
2 scribed in subsection (e) shall not prejudice the ability of  
3 a person to seek at any time a judicial determination that  
4 a particular work was never in the public domain in the  
5 United States.

6       “(i) PROCLAMATION OF COPYRIGHT RESTORA-  
7 TION.—Whenever the President finds that a particular  
8 foreign nation extends, to works by authors who are na-  
9 tionals or domiciliaries of the United States or to works  
10 that are first published in the United States, restored  
11 copyright protection to a similar extent as that provided  
12 to restorable works under this section, the President may  
13 by proclamation extend protection under this section to  
14 works of which one or more of the authors is, on the date  
15 of first publication, a national, domiciliary, or sovereign  
16 authority of that nation, or which was first published in  
17 that nation. The President may revise, suspend, or revoke  
18 any such proclamation or impose any conditions or limita-  
19 tions on protection under a proclamation.

20       “(j) DEFINITIONS.—For the purposes of this section  
21 and section 109(a):

22               “(1) The term ‘date of adherence or proclama-  
23 tion’ means the earlier of the dates upon which a  
24 foreign country that, as of the TRIPs effective date,  
25 is neither a member of the Berne Union or World

1 Trade Organization, nor the subject of a proclama-  
2 tion under section 104A(i)—

3 “(A) becomes a member of either the  
4 Berne Union or World Trade Organization; or  
5 “(B) is effectively proclaimed under section  
6 104A(i).

7 “(2) The term ‘date of restoration’ of a re-  
8 stored copyright means—

9 “(A) the TRIPs effective date, if the work  
10 is restorable work on that date; or

11 “(B) the date of adherence or proclama-  
12 tion.

13 “(3) The term ‘eligible country’ means a coun-  
14 try, not the United States, that on the date copy-  
15 right is restored under the provisions of this section  
16 has either—

17 “(A) joined the World Trade Organization  
18 or adhered to the Berne Convention for the  
19 Protection of Literary and Artistic Works; or

20 “(B) been the subject of a proclamation  
21 under subsection (i).

22 “(4) The term ‘reliance party’ means a person  
23 who, prior to the date of enactment of the Intellec-  
24 tual Property Rights General Agreement on Tariffs  
25 and Trade Implementation Act of 1994, or with re-

1 spect to a restorable work having a source country  
2 that was not an eligible country until after the  
3 TRIPs effective date, prior to the date of adherence  
4 or proclamation—

5 “(A) was engaged to a significant extent  
6 in, and, as of the relevant date, was continuing  
7 to do or authorize any of the acts set out in  
8 section 106 with respect to a restorable work;  
9 or

10 “(B) had, in preparing to do such acts, ei-  
11 ther—

12 “(i) acquired a substantial number of  
13 copies or phonorecords of a restorable  
14 work; or

15 “(ii) made substantial monetary in-  
16 vestments in respect of such work.

17 “(5)(A) The term ‘restorable work’ means an  
18 original work of authorship that is not protected  
19 under this title by virtue of—

20 “(i) noncompliance with formalities im-  
21 posed at any time by United States copyright  
22 law, including failure of renewal, lack of proper  
23 notice, or failure to comply with the manufac-  
24 turing requirement;

1           “(ii) the absence of copyright relations be-  
2           tween the United States and the source coun-  
3           try; or

4           “(iii) by reason of section 301(c); but not  
5           in the public domain in its source country  
6           that—

7                   “(I) has at least one author or, if the  
8                   work is a sound recording a producer, who  
9                   was, at the time the work was created, a  
10                  national or domiciliary of an eligible coun-  
11                  try; and

12                  “(II) if published, was published ini-  
13                  tially in an eligible country and not pub-  
14                  lished within 30 days thereafter in the  
15                  United States.

16           “(B) No work in which the copyright was ever  
17           owned or administered by the Alien Property Custodian  
18           which could if restored, be owned by a govern-  
19           ment or instrumentality thereof, shall be a restorable  
20           work.

21           “(6) The term ‘restored copyright’ means a  
22           copyright that becomes effective under the provisions  
23           of this section, without regard to whether such copy-  
24           right was ever previously in effect in the United  
25           States.



1           “(7)(A) The term ‘source country’ of a  
2 restorable work means—

3           “(i) not the United States; and

4           “(ii)(I) in the case of an unpublished work,  
5 the eligible country in which—

6           “(aa) the author is a national or  
7 domiciliary; or

8           “(bb) if a restorable work has more  
9 than one author, the majority of foreign  
10 authors are nationals or domiciliaries; or

11           “(II) in the case of a published work, the  
12 eligible country in which the work is initially  
13 published.

14           “(B) If under subparagraph (A)(ii)(I) of this  
15 definition, no majority exists, or under subparagraph  
16 (A)(ii)(II) of this definition, a restorable work was  
17 published on the same day in two or more eligible  
18 countries, then the source country shall be the coun-  
19 try other than the United States having the most  
20 significant contacts with the work.

21           “(8) The term ‘TRIPs effective date’ is the  
22 date upon which the obligations under the Agree-  
23 ment on Trade-Related Aspects of Intellectual Prop-  
24 erty become effective with respect to the United  
25 States.”.

1 (b) LIMITATION ON EXCLUSIVE RIGHTS.—Section  
 2 109(a) of title 17, United States Code, is amended by  
 3 striking out “copy or phonorecord.” and inserting “copy  
 4 or phonorecord; except that the sale or other disposition,  
 5 without the authorization of the owner of a restored copy-  
 6 right, of copies or phonorecords manufactured before the  
 7 date of restoration of works in which copyright has been  
 8 restored under the provisions of section 104A of this title  
 9 shall be authorized under this section—

10 “(1) only during the post-restoration grace pe-  
 11 riod afforded to reliance parties established by sec-  
 12 tion 104A(d)(3); and

13 “(2) thereafter, only as part of a sale or dis-  
 14 position of no more than one copy or phonorecord at  
 15 a time.”.

16 (c) TECHNICAL AND CONFORMING AMENDMENT.—  
 17 The table of sections for chapter 1 of title 17, United  
 18 States Code, is amended by amending the item relating  
 19 to section 104A to read:

“104A. Copyright in certain works.”.

20 **SEC. 6. DEFINITION OF “ABANDONMENT”.**

21 Section 45 of the Act entitled “An Act to provide for  
 22 the registration and protection of trademarks used in com-  
 23 merce, to carry out the provisions of certain international  
 24 conventions, and for other purposes”, approved July 5,  
 25 1946, commonly referred to as the Trademark Act of 1946

1 (15 U.S.C. 1127) is amended by amending the paragraph  
2 defining “abandonment” to read as follows:

3 “A mark shall be deemed to be ‘abandoned’ when ei-  
4 ther of the following occurs:

5 “(1) When its use has been discontinued with  
6 intent not to resume such use. Intent not to resume  
7 may be inferred from circumstances. Nonuse for  
8 three consecutive years shall be prima facie evidence  
9 of abandonment. ‘Use’ of a mark means the bona  
10 fide use of that mark made in the ordinary course  
11 of trade, and not made merely to reserve a right in  
12 a mark.

13 “(2) When any course of conduct of the owner,  
14 including acts of omission as well as commission,  
15 causes the mark to become the generic name for the  
16 goods or services on or in connection with which it  
17 is used or otherwise to lose its significance as a  
18 mark. Purchaser motivation shall not be a test for  
19 determining abandonment under this paragraph.”.

20 **SEC. 7. NONREGISTRABILITY OF MISLEADING GEO-**  
21 **GRAPHIC INDICATIONS FOR WINES AND**  
22 **SPIRITS.**

23 Section 2 of the Act entitled “An Act to provide for  
24 the registration and protection of trademarks used in com-  
25 merce, to carry out the provisions of certain international

1 conventions, and for other purposes”, approved July 5,  
2 1946, commonly referred to as the Trademark Act of 1946  
3 (15 U.S.C. 1052(a)) is amended by amending subsection  
4 (a) to read as follows:

5 “(a) Consists of or comprises immoral, deceptive, or  
6 scandalous matter; or matter which may disparage or  
7 falsely suggest a connection with persons, living or dead,  
8 institutions, beliefs, or national symbols, or bring them  
9 into contempt, or disrepute; or a geographical indication  
10 which, when used on or in connection with wines or spirits,  
11 identifies a place other than the origin of the goods and  
12 is first used on or in connection with wines or spirits by  
13 the applicant on or after the date of entry into force of  
14 the World Trade Organization Agreement as referred to  
15 under the Uruguay Round Implementation Act.”.

16 **SEC. 8. TREATMENT OF INVENTIVE ACTIVITY.**

17 (a) IN GENERAL.—Section 104 of title 35, United  
18 States Code, is amended to read as follows:

19 **“§ 104. Invention made abroad**

20 “(a) IN GENERAL.—In proceedings in the Patent and  
21 Trademark Office, in the courts, and before any other  
22 competent authority, an applicant for a patent, or a pat-  
23 entee may not establish a date of invention by reference  
24 to knowledge or use thereof, or other activity with respect  
25 thereto, in a foreign country other than a NAFTA country

1 or a WTO Member country, except as provided in sections  
2 119 and 365 of this title. Where an invention was made  
3 by a person, civil or military, while domiciled in the United  
4 States or a NAFTA country or a WTO Member country  
5 serving in any other country in connection with operations  
6 by or on behalf of the United States or a NAFTA country  
7 or a WTO Member country, respectively, the person shall  
8 be entitled to the same rights of priority in the United  
9 States with respect to such invention as if such invention  
10 had been made in the United States or a NAFTA country  
11 or a WTO Member country, respectively. To the extent  
12 that any information in a NAFTA country or a WTO  
13 Member country concerning knowledge, use, or other ac-  
14 tivity relevant to proving or disproving a date of invention  
15 has not been made available for use in a proceeding in  
16 the Office, a court, or any other competent authority to  
17 the same extent as such information could be made avail-  
18 able in the United States, the Commissioner, court, or  
19 such other authority shall draw appropriate inferences, or  
20 take other action permitted by statute, rule, or regulation,  
21 in favor of the party that requested the information in  
22 the proceeding.

23 “(b) DEFINITIONS.—For purposes of this section:

24 “(1) The term ‘NAFTA country’ has the mean-  
25 ing given that term in section 2(4) of the North

1 American Free Trade Agreement Implementation  
2 Act.

3 “(2) The term ‘WTO Member country’ has the  
4 meaning given that term under the Uruguay Round  
5 Implementation Act.”.

6 (b) EFFECTIVE DATE.—The amendments made by  
7 this section shall apply to all patent applications that are  
8 filed on or after the date that is 1 year after the date  
9 of entry into force of the WTO Agreement, as referred  
10 to in the Uruguay Round Implementation Act, except that  
11 an applicant for a patent, or a patentee, may not establish  
12 a date of invention that is earlier than the effective date  
13 of this amendment by reference to knowledge or use there-  
14 of, or other activity with respect thereto, in a World Trade  
15 Organization country, except as provided in sections 119  
16 and 365 of title 35, United States Code.

17 **SEC. 9. PATENT RIGHTS CONFERRED.**

18 (a) CONTENTS OF A PATENT.—Section 154 of title  
19 35, United States Code, is amended to read as follows:

20 **“§ 154. Contents and term of patent**

21 “(a) IN GENERAL.—Every patent shall contain a  
22 short title of the invention and a grant to the patentee,  
23 his heirs or assigns, of the right to exclude others from  
24 making, using, offering for sale, or selling the invention  
25 throughout the United States and, if the invention is a

1 process, of the right to exclude others from using, offering  
2 for sale, or selling throughout the United States, or im-  
3 porting into the United States, products made by that  
4 process, referring to the specification for the particulars  
5 thereof. Subject to the payment of fees as provided for  
6 in this title, such grant shall be for a term beginning on  
7 the date on which the patent issues and ending 20 years  
8 from the date on which the application for the patent was  
9 filed in the United States or, if the application contains  
10 a specific reference to an earlier filed application or appli-  
11 cations under sections 120, 121, or 365(c) of this title,  
12 from the date on which the earliest such application was  
13 filed. Priority under sections 119, 365(a), or 365(b) of  
14 this title shall not be taken into account in determining  
15 the term of a patent. A copy of the specification and draw-  
16 ings shall be annexed to the patent and be a part thereof.

17 “(b) EXTENSION OF TERM IF CERTAIN DELAY.—  
18 Where the issuance of an original patent is delayed be-  
19 cause of a proceeding under section 135(a) of this title  
20 or the application is placed under an order pursuant to  
21 section 181 of this title, the term of the patent shall be  
22 extended for the period of delay up to 5 years.”.

23 (b) DEFINITION OF INFRINGEMENT.—Section 271 of  
24 title 35, United States Code, is amended—

25 (1) in subsection (a)—

1 (A) by inserting “, offers to sell,” after  
2 “uses”; and

3 (B) by inserting “or importing into the  
4 United States any patented invention” after  
5 “the United States”;

6 (2) in subsection (c) by striking out “sells” and  
7 inserting “offers to sell or sells within the United  
8 States or imports into the United States for such  
9 purposes”;

10 (3) in subsection (e)—

11 (A) paragraph (1) by striking out “or sell”  
12 and inserting “offer to sell, or sell within the  
13 United States or import into the United  
14 States”;

15 (B) paragraph (3) by striking out “or sell-  
16 ing” and inserting “offering to sell, or selling  
17 within the United States or importing it”;

18 (C) paragraph (4)(B) by striking out “or  
19 sale” and inserting “offer to sell, or sale within  
20 the United States or importation into the  
21 United States for such purposes”; and

22 (D) paragraph (4)(C) by striking out “or  
23 sale” and inserting “offer to sell, or sale within  
24 the United States or importation into the Unit-  
25 ed States”; and



1 (4) in subsection (g)—

2 (A) in the first sentence by striking out  
3 “sells” and inserting “offers to sell, sells,”;

4 (B) in the second sentence by inserting  
5 “offer to sell,” after “importation,”; and

6 (C) in the second sentence by inserting “,  
7 offer to sell” after “other use”.

8 (c) CONFORMING AMENDMENTS.—(1) Section  
9 41(c)(2) of title 35, United States Code, is amended to  
10 read as follows:

11 “(2) No patent, the term of which has been  
12 maintained as a result of the acceptance of a pay-  
13 ment of a maintenance fee under this subsection,  
14 shall abridge or affect the right of any person or his  
15 successors in business who made, purchased, or used  
16 anything protected by the patent within the United  
17 States, or imported anything protected by the patent  
18 into the United States after the 6-month grace pe-  
19 riod but prior to the acceptance of a maintenance  
20 fee under this subsection, to continue the use of, to  
21 offer for sale, or to sell to others to be used, offered  
22 for sale, or sold, the specific thing so made, pur-  
23 chased, used, or imported. The court before which  
24 such matter is in question may provide for the con-  
25 tinued manufacture, use, offer for sale, or sale of the

1        thing made, purchased, or used within the United  
2        States, or imported into the United States, as speci-  
3        fied, or for the manufacture, use, offer for sale, or  
4        sale in the United States of which substantial prepa-  
5        ration was made after the 6-month grace period but  
6        before the acceptance of a maintenance fee under  
7        this subsection, and it may also provide for the con-  
8        tinued practice of any process, practice, or for the  
9        practice of which substantial preparation was made,  
10       after the 6-month grace period but prior to the ac-  
11       ceptance of a maintenance fee under this subsection,  
12       to the extent and under such terms as the court  
13       deems equitable for the protection of investments  
14       made or business commenced after the 6-month  
15       grace period but before the acceptance of a mainte-  
16       nance fee under the subsection.”.

17       (2) The second paragraph of section 252 of title 35,  
18       United States Code, is amended to read as follows:

19       “No reissued patent shall abridge or affect the right  
20       of any person or his successors in business who, prior to  
21       the grant of a reissue, made, purchased, or used within  
22       the United States, or imported into the United States any-  
23       thing patented by the reissued patent, to continue the use  
24       of, to offer to sell, or to sell to others to be used, offered  
25       for sale, or sold, the specific thing so made, purchased,

1 used, or imported unless the making, using, offering for  
2 sale, or selling of such thing infringes a valid claim of the  
3 reissued patent which was in the original patent. The  
4 court before which such matter is in question may provide  
5 for the continued manufacture, use, offer for sale, or sale  
6 of the thing made, purchased or used, or imported as spec-  
7 ified, or for the manufacture, use, offer for sale, or sale  
8 in the United States of which substantial preparation was  
9 made before the grant of the reissue, and it may also pro-  
10 vide for the continued practice of any process patented by  
11 the reissue, practiced, or for the practice of which substan-  
12 tial preparation was made, prior to the grant of the re-  
13 issue, to the extent and under such terms as the court  
14 deems equitable for the protection of investments made  
15 or business commenced before the grant of the reissue.”.

16 (3) Section 262 of title 35, United States Code, is  
17 amended—

18 (A) by inserting “, or offer to sell,” after “may  
19 make use”; and

20 (B) by inserting “within the United States, or  
21 import into the United States,” after “or sell the  
22 patented invention”.

23 (4) Section 272 of title 35, United States Code, is  
24 amended by inserting “offered for sale,” after “vehicle and  
25 is not”.

1       (5) Section 287 of title 35, United States Code, is  
2 amended—

3           (A) in subsection (a) by striking out “making  
4 or selling any patented article for or under them,”  
5 and inserting “making, offering for sale, or selling  
6 within the United States any patented article for or  
7 under them, or importing any patented article into  
8 the United States for such purposes,”;

9           (B) in subsection (b)(1)(C) by inserting “offer  
10 for sale,” after “importation, use,”;

11          (C) in subsection (b)(4)(A) by inserting “or of-  
12 fered for sale” after “or sold”;

13          (D) in subsection (b)(4)(A)(ii) by inserting  
14 “offer for sale,” after “importation, use,”;

15          (E) in subsection (b)(4)(C) by inserting “of-  
16 fered for sale or” after “patented process which  
17 have”; and

18          (F) in subsection (b)(4)(C) by inserting “or im-  
19 ported into the United States,” after “United  
20 States”.

21       (6) Section 292(a) of title 35, United States Code,  
22 is amended—

23           (A) by inserting “offered for sale,” after “any-  
24 thing made, used,”;

1 (B) by inserting “within the United States, or  
2 imported into the United States” before “by him”;  
3 and

4 (C) by striking out “made or sold” and insert-  
5 ing “made, offered for sale, sold, or imported”.

6 (7) Section 295 of title 35, United States Code, is  
7 amended by inserting “, offer for sale,” after “importa-  
8 tion, sale”.

9 (8) Section 307(b) of title 35, United States Code,  
10 is amended by inserting “within the United States, or im-  
11 ported into the United States,” after “purchased, or  
12 used”.

13 **SEC. 10. PATENT TERM AND INTERNAL PRIORITY.**

14 (a) TERM.—Section 154 of title 35, United States  
15 Code, is amended to read as follows:

16 **“§ 154. Contents and term of patent**

17 “(a) IN GENERAL.—Every patent shall contain a  
18 short title of the invention and a grant to the patentee,  
19 his heirs or assigns, of the right to exclude others from  
20 making, using, offering for sale, or selling the invention  
21 throughout the United States and, if the invention is a  
22 process, of the right to exclude others from using, offering  
23 for sale, or selling throughout the United States, or im-  
24 porting into the United States, products made by that  
25 process, referring to the specification for the particulars

1 thereof. Subject to the payment of fees as provided for  
2 in this title, such grant shall be for a term beginning on  
3 the date on which the patent issues and ending 20 years  
4 from the date on which the application for the patent was  
5 filed in the United States or, if the application contains  
6 a specific reference to an earlier filed application or appli-  
7 cations under sections 120, 121, or 365(c) of this title,  
8 from the date on which the earliest such application was  
9 filed. Priority under sections 119, 365(a), or 365(b) of  
10 this title shall not be taken into account in determining  
11 the term of the patent. A copy of the specification and  
12 drawings shall be annexed to the patent and be a part  
13 thereof.

14       “(b) EXTENSION OF TERM IN CERTAIN DELAY.—  
15 Where the issuance of an original patent is delayed be-  
16 cause of a proceeding under section 135(a) of this title  
17 or the application is placed under an order pursuant to  
18 section 181 of this title, the term of the patent shall be  
19 extended for the period of delay up to 5 years. Any and  
20 all extensions available under this subsection shall not ex-  
21 tend the term of an original patent for more than 5 years.

22       “(c) TERMS OF CERTAIN PATENTS.—Except for pat-  
23 ents for designs, the term of a patent in force on the effec-  
24 tive date of this section shall be the greater of the 20-  
25 year term provided in this section or 17 years after the

1 date of the grant. The remedies of sections 283, 284, and  
2 285 of title 35, United States Code, shall not apply to  
3 any acts which were commenced or for which significant  
4 investment was made before the date of acceptance of the  
5 World Trade Organization Agreement by the United  
6 States and which became infringing because of the change  
7 in the term of a patent; except that such acts may only  
8 be continued upon the payment of an equitable remunera-  
9 tion to the patentee.”.

10 (b) ESTABLISHMENT OF A DOMESTIC PRIORITY SYS-  
11 TEM.—(1) Section 119 of title 35, United States Code,  
12 is amended to read as follows:

13 **“§ 119. Benefit of earlier filing date; right of priority**

14 “(a) IN GENERAL.—An application for patent for an  
15 invention filed in this country by any person who has, or  
16 whose legal representatives or assigns have, previously  
17 filed an application for a patent for the same invention  
18 in a foreign country which affords similar privileges in the  
19 case of applications filed in the United States shall have  
20 the same effect as the same application would have if filed  
21 in this country on the date on which the application for  
22 patent for the same invention was first filed in such for-  
23 eign country, if the application in this country is filed  
24 within 12 months from the earliest date on which such  
25 foreign application was filed; but no patent shall be grant-

1 ed on any application for patent for an invention which  
2 had been patented or described in a printed publication  
3 in any country more than 1 year before the date of the  
4 actual filing of the application in this country, or which  
5 had been in public use or on sale in this country more  
6 than 1 year prior to such filing.

7 “(b) RIGHT OF PRIORITY.—No application for patent  
8 shall be entitled to a right of priority under subsection  
9 (a) unless a claim therefor and a certified copy of the  
10 original foreign application, specification, and drawings  
11 upon which it is based are filed in the Patent and Trade-  
12 mark Office before the patent is granted, or at such time  
13 during the pendency of the application as required by the  
14 Commissioner not earlier than 6 months after the filing  
15 of the application in this country. Such certification shall  
16 be made by the patent office of the foreign country in  
17 which filed and show the date of the application and of  
18 the filing of the specification and other papers. The Com-  
19 missioner may require a translation of the papers filed if  
20 not in the English language and such other information  
21 as he deems necessary.

22 “(c) FOREIGN FILING.—In like manner and subject  
23 to the same conditions and requirements, the right pro-  
24 vided under subsection (a) may be based upon a subse-  
25 quent regularly filed application in the same foreign coun-



1 try instead of the first filed foreign application, provided  
2 that any foreign application has been withdrawn, aban-  
3 doned, or otherwise disposed of, without having been laid  
4 open to public inspection and without leaving any rights  
5 outstanding, and has not served, nor thereafter shall  
6 serve, as a basis for claiming a right of priority.

7       “(d) INVENTOR’S CERTIFICATES.—Applications for  
8 inventor’s certificates filed in a foreign country in which  
9 applicants have a right to apply, at their discretion, either  
10 for a patent or for an inventor’s certificate shall be treated  
11 in this country in the same manner and have the same  
12 effect for purpose of the right of priority under subsection  
13 (a) as applications for patents, subject to the same condi-  
14 tions and requirements of this section as apply to applica-  
15 tions for patents. Such applicants shall be entitled to the  
16 benefits of the Stockholm Revision of the Paris Convention  
17 at the time of such filing.

18       “(e) PROVISIONAL APPLICATION.—An application for  
19 patent filed under sections 111(a) or 363 of this title for  
20 an invention disclosed in the manner provided by the first  
21 paragraph of section 112 of this title in a provisional ap-  
22 plication filed under section 111(b) of this title, by an in-  
23 ventor or inventors named in the provisional application  
24 shall have the same effect, as to such invention, as though  
25 filed on the date of the provisional application filed under

1 section 111(b) of this title, if the application for patent  
2 filed under sections 111(a) or 363 of this title is filed with-  
3 in 12 months from the date on which the provisional appli-  
4 cation was filed and if it contains or is amended to contain  
5 a specific reference to the provisional application. A provi-  
6 sional application filed under section 111(b) of this title  
7 may not be relied upon in any proceeding in the Patent  
8 and Trademark Office unless the fee set forth in sub-  
9 section 41(a)(1)(C) has been paid and the provisional ap-  
10 plication was pending on the filing date of the application  
11 for patent under sections 111(a) or 363 of this title.”.

12 (2) Section 41(a)(1) of title 35, United States Code,  
13 is amended by adding at the end the following new sub-  
14 paragraph:

15 “(C) On filing each provisional application  
16 for an original patent, \$150.”.

17 (3) Section 111 of title 35, United States Code, is  
18 amended to read as follows:

19 **“§ 111. Application**

20 “(a) IN GENERAL.—(1) Application for patent shall  
21 be made, or authorized to be made, by the inventor, except  
22 as otherwise provided in this title, in writing to the Com-  
23 missioner. Such application shall include—

24 “(A) a specification as prescribed by section  
25 112 of this title;

1           “(B) a drawing as prescribed by section 113 of  
2       this title; and

3           “(C) an oath by the applicant as prescribed by  
4       section 115 of this title.

5       “(2) The application must be accompanied by the fee  
6       required by law. The fee and oath may be submitted after  
7       the specification and any required drawing are submitted,  
8       within such period and under such conditions, including  
9       the payment of a surcharge, as may be prescribed by the  
10      Commissioner. Upon failure to submit the fee and oath  
11      within such prescribed period, the application shall be re-  
12      garded as abandoned, unless it is shown to the satisfaction  
13      of the Commissioner that the delay in submitting the fee  
14      and oath was unavoidable or unintentional. The filing date  
15      of an application shall be the date on which the specifica-  
16      tion and any required drawing are received in the Patent  
17      and Trademark Office.

18       “(b) PROVISIONAL APPLICATIONS.—(1) A provisional  
19      application for patent shall be made, or authorized to be  
20      made, by the inventor, in accordance with regulations pre-  
21      scribed by the Commissioner. Such application shall in-  
22      clude—

23           “(A) a specification as prescribed by the first  
24      paragraph of section 112 of this title; and

1           “(B) a drawing as prescribed by section 113 of  
2       this title.

3           “(2) A claim shall not be required in a provisional  
4 application. The application must be accompanied by the  
5 fee required by law. The fee may be submitted after the  
6 specification and any required drawing are submitted,  
7 within such period and under such conditions, including  
8 the payment of a surcharge, as may be prescribed by the  
9 Commissioner. Upon failure to submit the fee within such  
10 prescribed period, the application shall be regarded as  
11 abandoned, unless it is shown to the satisfaction of the  
12 Commissioner that the delay in submitting the fee was un-  
13 avoidable or unintentional. The filing date of a provisional  
14 application shall be the date on which the specification and  
15 any required drawing are received in the Patent and  
16 Trademark Office. The provisional application shall be re-  
17 garded as abandoned 12 months after its filing date and  
18 shall not be subject to revival thereafter. Subject to all  
19 the conditions in this subsection, sections 111(b)(2) and  
20 119(e) and as prescribed by the Commissioner, an applica-  
21 tion for patent filed under section 111(a) of this title may  
22 be treated as a provisional application for patent.

23           “(3) A provisional application shall not be entitled to  
24 the right of priority of any other application under sec-  
25 tions 119 or 365(a) of this title or the benefit of an earlier

1 filing date in the United States under sections 120, 121,  
2 or 365(c) of this title.

3 “(4) The provisions of this title relating to applica-  
4 tions for patent shall be applicable to provisional applica-  
5 tions for patent, except as otherwise stated and except  
6 that provisional applications for patent shall not be subject  
7 to sections 115, 131, 135, and 157 of this title.”.

8 (c) TECHNICAL AND CONFORMING AMENDMENTS.—

9 (1) Section 156(a)(2) of title 35, United States Code, is  
10 amended by adding “under subsection (e)(1) of this sec-  
11 tion” after “extended”.

12 (2) Section 172 of title 35, United States Code, is  
13 amended—

14 (A) by striking out “section 119” and inserting  
15 “section 119 (a) through (d)”; and

16 (B) by inserting at the end “The right of prior-  
17 ity provided for by section 119(e) of this title shall  
18 not apply to designs.”.

19 (3) Section 173 of title 35, United States Code, is  
20 amended by inserting “after the date of grant” after  
21 “years”.

22 (4) Section 365 of title 35, United States Code, is  
23 amended—

1 (A) in subsection (a) by striking out “section  
 2 119” and inserting “section 119 (a) through (d)”;  
 3 and

4 (B) in subsection (b) by striking out “the first  
 5 paragraph of section 119” and inserting “section  
 6 119(a)”.

7 (5) Section 373 of title 35, United States Code, is  
 8 amended by striking out “section 119” and inserting “sec-  
 9 tion 119 (a) through (d)”.

10 (6) The table of sections for chapter 11 of title 35,  
 11 United States Code, is amended—

12 (A) by striking the item relating to section 111  
 13 and inserting the following:

“111. Application.”;

14 and

15 (B) by striking the item relating to section 119  
 16 and inserting the following:

“119. Benefit of earlier filing date; right of priority.”.

17 **SEC. 11. EFFECTIVE DATE.**

18 (a) IN GENERAL.—Subject to subsection (b), the pro-  
 19 visions of this Act and the amendments made by this Act  
 20 shall take effect 1 year after the date of entry into force  
 21 of the World Trade Organization Agreement as referred  
 22 to under the Uruguay Round Implementation Act.

23 (b) PATENT TERM AND INTERNAL PRIORITY.—Sec-  
 24 tion 10 shall take effect 6 months after the date of enact-

1 ment of this Act and shall apply to all applications filed  
2 in the United States on or after the effective date. The  
3 term of a patent granted on a plant or utility application  
4 that is filed after the effective date and that contains a  
5 specific reference to an earlier filed application under the  
6 provisions of sections 120, 121, or 365(c) of title 35, Unit-  
7 ed States Code, shall be determined from the filing date  
8 of the earliest filed application, a reference to which is  
9 made under sections 120, 121, or 365(c) of such title.



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